



How to encourage consumer engagement in the circular economy?

CIRC4Life Webinar – event summary

Brussels, 20 October 2020, 11:00-12:15 (CET)
Venue: Zoom conference

Around 70 people attended the webinar, including representatives of national governments, EU institutions, NGO's, academia and businesses. The webinar took place through the Zoom platform and also included interaction with the audience through Slido.

The presentations are shared on the event page [here](#).

Welcome by Vasileios Rizos, Research Fellow & Head of Sustainable Resources and Circular Economy, CEPS

A welcome was given by **Vasileios Rizos** who gave an overview of the topic and introduced the EU Circular Economy Action Plan and its focus on consumer empowerment. He highlighted that despite expressed willingness to act sustainably, this often does not materialize into action.

Remarks by Julia Nevmerzhitskaya (moderator), Senior Lecturer, Research, Development and Innovation, Laurea University of Applied Sciences

As the moderator, **Julia Nevmerzhitskaya** reminded the audience of why there is a need to take action to further encourage consumers to engage in the circular economy. She noted that we consume more than we produce, with the rate of consumption growing, and the role of consumers must therefore be addressed. However, communication and awareness is not enough, as previous efforts have shown that people do not behave in a rational way. She raised the challenge of understanding human decision making and that this is a complex process not fully understood.



Some factors known to affect choices are: habitual behaviours; influence of peers; social factors; social groups or the inability to see the wider consequences of our action. The key challenge will be to address the gap between intention and action, and in order to do that it will be necessary to understand what factors affect our behaviour.

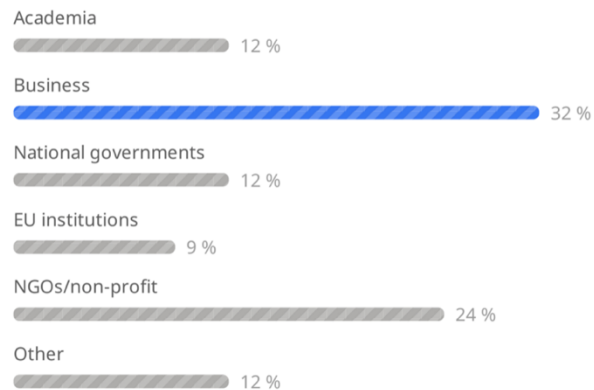
Interaction through Slido

The participants were invited to indicate which sector they represented.

The majority of respondents indicated that they represented the business sector, followed by NGOs/non-profits as the second most represented category. Academia, national governments and others all were equally represented in the survey responses with 12% of participants indicated they represented one of these. 9% stated they represented EU institutions.

I represent:

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Presentation by Olalla Michelena, Director, EU Delegation, Make Mothers Matter

Olalla Michelena from Make Mothers Matter (MMM) provided the audience with an overview of the CIRC4Life project through a video, and briefly addressed the areas within the project focusing on incentivising consumers through eco-credits. She then gave a brief summary of the state of consumer involvement in the project before highlighting that household consumption accounts for 70% of greenhouse gas emissions and that 80% of family purchasing decisions in OECD countries are made by women. It is therefore crucial to include this social dimension in the transition to a circular economy and provide key information engage consumers. She presented [the results](#) of the three surveys completed by MMM on how to better engage end-users in the circular economy. They showed that circular economy policies should consider the direct economic and social impacts on consumers, time required, social and cultural factors, the role of women and the need for information on product sustainability to be translated in a way that consumers understand and respond to. A summary of the results are available on the dedicated [leaflet](#). As recommendations to policy makers she raised the need to target families and in particular mothers, involve co-creation of solutions to make the circular transition relevant to everyone in addition to being accessible and affordable to all. Repair and reuse must be encouraged by building trust around quality and to ensure warranty of refurbished products. Finally, she recommended to segment target groups profiling green consumers to accelerate the transition.

Question: Was there any indication that the lack of access to repair was a barrier?

Answer: While the question was not directly covered by the survey, inconvenience and cost was considered as barriers for people to act more sustainable, so if consumers know where to go for repairs and that it is fast and inexpensive, we could assume that people will be willing to repair. The issue is often that it is too expensive and it can be difficult to find out how to repair broken devices.

Interaction through Slido

The participants asked: *What is in your opinion the biggest barrier for consumers to be engaged in the circular economy?*

Among the answers submitted by the participants, the price of products and awareness were the most common barriers. Habits, not knowing where to start and education followed closely as barriers mentioned by several people.



Presentation by Ángel Rodríguez Pérez Manager, Consorcio Valencia Interior

A presentation was given by **Ángel Rodríguez Pérez** from Consorcio Valencia Interior on the existing incentive scheme in Valencia, *myEnvironmental Account*. It is a public policy initiative to incentivize increased separate waste collection. By using a personal identification card, the type and amount of waste delivered is registered in an online ICT platform where the user collects reward points each time the card holder or family member recycle at the recycling centre. The points are converted into economic benefits, which can be up to 50% reduction of the tax for waste treatment. At the moment, the scheme has around 36 000 active users which make up around 20% of the possible users in the area. After having introduced the incentive scheme they have seen an increase of 23% of tonnes of waste managed, with a significant increase in waste delivered to the recycling centre. He shared the lessons learned from the program, such as the fact that only 20% of the citizens are involved in the scheme. He explained that such a scheme might not be suitable for everyone as society is diverse. Despite the significant increase in collection at the recycling centre, only special municipal waste (bulky and hazardous household waste) is taken there. The common flow of household waste is collected in other ways, so for the incentive system to be fully effective it should be adapted to the other flows. Finally, he discussed the message of the scheme which is currently, 'the more you throw the less you pay' and the challenge to have a message consistent with the waste hierarchy.

Presentation by Evaristo García, Project Manager, Recyclia

Evaristo García began with an introduction of Recyclia and their role within the CIRC4Life-project working on the incentive scheme and the demo case for recycling of tablets. He then introduced a behavioural study on consumer engagement in the circular economy, which show that 93% of consumer keep devices they have owned for a long time instead of recycling them. According to results of the [consumers surveys](#) conducted in the project, the reasons being that consumers believe the device might be useful in the future, concerns regarding personal data or lack of information on where to bring the device for recycling. Answering the question of what can be done to engage end-users and change their attitude and disengagement, he introduced the eco-credits reward scheme developed within CIRC4Life which seeks to reward consumers for their sustainable actions. He gave an overview of scheme and how the eco-credits are calculated. He also explained how the reward scheme is promoted by local businesses by offering discounts, by local public administrations by offering tickets for local theatres and the option of choosing to donate their eco-credits for environmental or social actions such as tree planting. The latter option was added after the results of the surveys showed that some end-users prefer to donate collected points to environmental causes like tree planning instead of receiving discounts to purchase new products. An important lesson learnt from the project is that it is difficult to foresee the preferences of end-users.

Q&A section moderated by Julia Nevmerzhitskaya

Question: What is understood by awareness? Can better awareness be dissociated from better footprint quantification and accounting ?

Answer by Ángel Rodríguez Pérez: We cannot disassociate quantification and accounting of better environmental footprint with better awareness. Externalities have to be understood and included in the formula.

Answer by Olalla Michelen: Just because someone is aware does not mean that they will act. Awareness has to be raised through better communication, but as seen with previous campaigns it is very difficult to change people's minds. She asked Ángel whether they know who the participants in the incentive scheme in Valencia are, he replied that they did not due to GDPR concerns.

Question directed to Ángel Rodríguez Pérez: Does the municipality or administration look at financial indicators in terms of key performance indicators, investment vs. waste reduction?

Answer by Ángel Rodríguez Pérez: Yes, of course. It is a question of communication as well as a part of the Circular Economy Action Plan to reach certain targets for waste recovery which is impossible to do without taking into consideration financial indicators.

Question: Are there examples of platforms for materials exchange, wither for similar use of materials or for another modified application?

Answer by Evaristo García: The CIRC4Life project is in the process of trying to develop a platform on material exchange. Municipalities and regions have and use such platforms for material exchange.

Answer by Olalla Michelena: Such a platform ScrapAd has been launched in Spain recently as a B2B platform for materials exchange. www.scrapad.com

Question: For eco-credits, how is the value of used products calculated and thus the corresponding amount of credits issued for it?

Answer by Evaristo García: There is a formulation used for the calculation of eco-credits that takes into consideration different factors when assessing a used device. Such factors are the end-of-use state and whether it functions or not. If the device is still functional, the eco credits given will be higher than if the device is no longer usable. It also takes into consideration the life-time factor, as there is a difference between a 20 year-old phone and a 2 year-old phone, when giving it a second life. Overall, the amount eco-credits given depend on the reusability and recyclability of the device.

Question: After the COVID-19 pandemic, third-world countries have become even poorer, meaning leveraging these issues in these regions (that have a heavy fraction of the earth's total population) are likely to be postponed. The Circular Economy is a critical enabler for other SDGs. What should be done for this matter?

Answer by Olalla Michelena: MMM is an international NGO with global members. We see that the environment has moved down on the agenda due to the pandemic so it is necessary to develop a narrative for decision makers in these countries that bridges the environmental aspect with health considerations and opportunities for generating profit. We know that people work in silos, but everything is connected and we must make the circular economy relevant for everyone.

Answer by Julia Nevmerzhitskaya: The EU Circular Economy Action Plan has a global dimension recognizing international cooperation and global partnerships, especially concerning the waste streams for electronics.

Question: How can we apply the concepts of circular economy to the tourism sector?

Answer by Evaristo García: Circular economy is not only for products, but also for services and is applicable to every sector. It is about changing business models, approaches and trying to find ways to find which areas of the sector that can be implement circular approaches such as sharing solutions and increase reusing.

Question: It is necessary to recycle, but should not the EU take action to limit the production of polluting products?

Answer by Olalla Michelena: This has come up in the discussion on the eco-credit scheme as it is not about just replacing products with more sustainable versions but circular economy is about

changing the whole system according to the waste hierarchy where the first principle is to reduce. The majority of messages directed at consumers still encourage consumption.

Answer by Vasileios Rizos: We need a new system where people keep their devices for longer or through leasing systems. At the same time we should keep in mind that there is still a significant challenge at EU level in regards to collection, and having collection schemes does not mean we should not rethink current ways of consumption and production. Collection schemes is just one solution out of many that needs to be implemented.

Question: Can incentive schemes like the one in Valencia be implemented at a larger scale as currently discussed at EU level, or should they stay at a local level? And what would be the conditions for implementing such schemes?

Answer by Evaristo García: It is possible, but requires a wider, global, strategy as well as cooperation between regions and municipalities.

Answer by Ángel Rodríguez Pérez: The system in Valencia works because there is a common tax to finance the management of municipal waste, and allows them to reward users with the tax discounts. This is essential to make such schemes successful.

Final messages

As a way to wrap up and summarise the discussions, Julia Nevmerzhitskaya invited the speakers to deliver a short key message.

Olalla Michelena: Any circular solution should consider the direct economic and social impact and the required investment in time.

Evaristo García: Circular economy is the future, we need all agents in the supply chain across all sectors to be involved with a common strategy.

Ángel Rodríguez Pérez: In order to encourage our neighbours to take an active part in the circular economy it is necessary to understand the impact of decisions related to consumption. The incentive scheme is not enough in itself, we have to translate the message to make it understandable to all target groups and to understand what behaviours really contributes to closing the loop.

